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Report Highlights: Brazilian 1999/00 orange crop (MY 2000/01) revised downward to 391 Mbx (40.8 kg), 14 Mbx below the previous estimate, mainly due to smaller fruit size in the states of Sao Paulo and Minas Gerais. The harvest season has moved along and is expected now to continue through February. According to FUNDECITRUS, 34 percent of the sampled trees show CVC symptoms and the cumulative figure for tree eradication in commercial groves due to citrus canker is close to 900,000. FCOJ production for MY 2000/01 is projected at 1.106 mmt (65 Brix) down from the revised level for MY 1999/00 (1.36 mmt). The FCOJ export estimate for MY 2000/01 was revised to 1.156 mmt, down from updated MY 1999/00 export figure (1.295 mmt). FCOJ market prices drop sharply to US$ 650-800 per ton in September.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
Semi-Annual Report
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Executive Summary

Brazilian 1999/00 orange crop (MY 2000/01) revised downward to 391 Mbx (40.8 kg), 14 Mbx below the previous estimate, mainly due to smaller fruit size in the states of Sao Paulo and Minas Gerais. The harvest season has moved along and is expected now to continue through February. According to FUNDECITRUS, 34 percent of the sampled trees show CVC symptoms and the cumulative figure for tree eradication in commercial groves due to citrus canker is close to 900,000. FCOJ production for MY 2000/01 is projected at 1.106 mmt (65 Brix) down from the revised level for MY 1999/00 (1.36 mmt). The FCOJ export estimate for MY 2000/01 was revised to 1.156 mmt, down from updated MY 1999/00 export figure (1.295 mmt). FCOJ market prices drop sharply to US$ 650-800 per ton in September.

FRESH ORANGES

Statistical Tables

PSD Table						
Country	Brazil					
Commodity	Fresh Oranges		(HECTARES)(1000 TREES)(1000 MT)			
	Revised	1997	Preliminary	1998	Forecast	1999
	Old	New	Old	New	Old	New
Market Year Begin		07/1998		07/1999		07/2000
Area Planted	805000	805000	768300	768300	804300	804300
Area Harvested	738000	738000	717500	717500	728500	728500
Bearing Trees	205000	205000	198000	198000	201000	201000
Non-Bearing Trees	21000	21000	15600	15600	23600	23600
TOTAL No. Of Trees	226000	226000	213600	213600	224600	224600
Production	15912	15912	17952	17952	16524	15953
Imports	0	0	0	0	0	0
TOTAL SUPPLY	15912	15912	17952	17952	16524	15953
Exports	82	82	102	102	102	82
Fresh Dom. Consumption	4080	4080	5039	5039	5243	4855
Processing	11750	11750	12811	12811	11179	11016
TOTAL DISTRIBUTION	15912	15912	17952	17952	16524	15953

Prices Table			
Country	Brazil		
Commodity	Fresh Oranges for Processing		
Prices in	Reais (RS)	per uom	40.8 kg box
Year	1999	2000	% Change
Jan	4.18	1.67	-60.05%
Feb	4.53	1.63	-64.02%
Mar	4.46	1.9	-57.40%
Apr	4.46	1.73	-61.21%
May	3.81	2	-47.51%
Jun	2.98	1.89	-36.58%
Jul	2.59	1.88	-27.41%
Aug	2.37	1.71	-27.85%
Sep	2.25	1.8	-20.00%
Oct	2.04	1.8	-11.76%
Nov	1.95	--	-100.00%
Dec	1.67	--	-100.00%
Exchange Rate	1.91	Local currency/US $	

Export Trade Matrix			
Country	Brazil		
Commodity	Fresh Oranges		
Time period	Jul-Jun	Units:	Metric Tons
Exports for:	1998		1999
U.S.	0	U.S.	0
Others		Others	
Netherlands	50451.6	Netherlands	68234.9
United Kingdom	2286.7	United Kingdom	8723.8
UAE	5810.3	UAE	6555.4
Spain	20	Spain	6023.8
Portugal	2724.9	Portugal	5144.7
Russia	1871.1	Russia	3013.5
Kuwait	1487.8	Kuwait	1438.4
Paraguay	0	Paraguay	66.2
Saudi Arabia	0	Saudi Arabia	54.3
Bahrein	9.4	Bahrein	47.6
Others not Listed	29		74.1
Grand Total	64690.9		99377

Production

PS&D Tables

The following tables provide revised data for the Sao Paulo and total Brazilian fresh orange production, supply and demand (PS&Ds) for MY 1998/99, 1999/2000 and 2000/01 (July-June).

Sao Paulo: Fresh Oranges PS&D (Jul-Jun) (1,000 ha, million trees & million 40.8 kg boxes)			
Item/Marketing Year	1998/99	1999/00	2000/01
(Bloom/Harvest)	(97/98)	(98/99)	(99/00)
Area Planted	653.0	616.0	653.0
Area Harvested	600.0	579.0	590.0
Bearing Trees	169.0	162.0	165.0
Non-Bearing Trees	17.0	12.0	20.0
Total Trees	186.0	174.0	185.0
Production	342.0	395.0	350.0
Exports	2.0	2.5	2.0
Domestic Consumption	60.0	92.5	88.0
Processing	280.0	300.0	260.0

Brazil: Fresh Oranges PS&D (Jul-Jun) (1,000 ha, million trees & million 40.8 kg boxes)			
Item/Marketing Year	1998/99	1999/00	2000/01
(Bloom/Harvest)	(97/98)	(98/99)	(99/00)
Area Planted	805.3	768.3	804.3
Area Harvested	738.5	717.5	728.5
Bearing Trees	205.0	198.0	201.0
Non-Bearing Trees	20.6	15.6	23.6
Total Trees	225.6	213.6	224.6
Total Production	390.0	440.0	391.0
Sao Paulo	342.0	395.0	350.0
Others	48.0	45.0	41.0
Exports	2.0	2.5	2.0
Sao Paulo	2.0	2.5	2.0
Domestic Consumption	100.0	123.5	119.0
Processing	288.0	314.0	270.0
Sao Paulo	280.0	300.0	260.0
Others	8.0	14.0	10.0

General

The Agricultural Trade Office (ATO)/Sao Paulo estimate for total Brazilian 1999/00 orange crop (MY 2000/01) has been revised downward to 391 million 40.8 kilogram (kg) boxes (Mbx), down 14 Mbx from the previous estimate. The commercial production area of the State of Sao Paulo plus the western part of Minas Gerais should contribute 350 Mbx, whereas the remaining 41 Mbx will come from other producing regions, especially in northeastern and southern states.

The expected drop in production coming from the Sao Paulo and western Minas Gerais commercial areas are mainly related to the smaller size of the fruits due to below average rainfall. Additionally, many fruits were negatively affected by the dry weather that prevailed during the winter followed by the notable rainfall in the beginning of September. The below average fruit development did not support the water volume absorbed by the plants resulting in peel splitting and droppage. Fruit droppage is roughly estimated at 30 Mbx, including some drop of Hamlin variety in the beginning of the season. ATO/Sao Paulo has revised the MY 2000/01 orange crop yield estimate to 1.95 boxes (40.8 kg) per tree, down 12 percent from last season.

The harvest season in the commercial area of Sao Paulo has not been uniform. Processing plants started operations in July but did not fully operate until August due to the difficulty in getting fruits with the appropriate quality standards. The smaller size of the fruits, due to insufficient rainfall during the fruit development stage, resulted throughout all producing regions. Additionally, many producers are anticipating the harvest of the third blossom, thus widening the differences in the size of the fruits delivered to processors. According to information provided by industry contacts, the harvest season can potentially continue through February.

The quality of the MY 2000/01 orange crop is considered regular. The below average rainfall has resulted in smaller size of the fruits, thicker peel, higher brix and lower ratio. While the higher brix promotes better industrial yields, the smaller size of the fruits offsets the potential gains.

The MY 2001/02 orange crop is not defined yet. The first flowering that occurred after the early-September rainfall was considered uniform and excellent for the Sao Paulo and western Minas Gerais commercial areas. The below average rainfall that has prevailed since then, however, has somewhat affected the fruit set due to flower and fruit abortion. However, it is too early to make any predictions about the coming crop.

Tree Inventory

The ATO/Sao Paulo tree inventory estimate for the Sao Paulo and western Minas Gerais commercial areas for MY 2000/01 remains unchanged at 185 million trees (165 million bearing trees and 20 million non-bearing trees). These numbers exclude orange trees that have been eradicated due to disease problems and those trees abandoned by producers due to poor grove management. According to information provided by post contact, planting in new areas are mainly related to orange juice processors farms and large producers. Unofficial estimates also report that orange juice processors own approximately 35 million trees.

As reported by the Sao Paulo State Fund for the Defense of Citriculture (FUNDECITRUS), 1,901 inspected nurseries were in operation in September 2000. Unprotected nurseries (1,739) still represent the vast majority compared to protected nurseries (162). Note that protected nurseries maintain seedling within screened enclosures. The number of inspected seedlings accounted for 19,129,730 (16,351,748 seedling from unprotected nurseries and 2,777,982 seedlings from protected nurseries).

As reported by the Sao Paulo State Secretariat of Agriculture, Institute of Agricultural Economics (IEA), the October 2000 tree inventory survey for the state of Sao Paulo is estimated at 219.3 million trees (197.2 million bearing trees and 22.1million non-bearing trees). The 1999/2000 orange crop estimate for the State of Sao Paulo (MY 2000/01) was revised downward to 365 Mbx (October 2000 survey). According to industry contacts, a significant part of these trees will be eradicated due to disease related problems, bad grove management, and shift to other crops such as sugarcane. The northern producing region has been the most affected by weather and disease problems and should account for the major part of tree eradication.

Diseases

According to the 2000 field survey conducted by FUNDECITRUS in June and July, approximately 34 percent of the sampled trees (1,123) in the Sao Paulo and western Minas Gerais commercial areas show symptoms of Citrus Chlorosis Variegated (CVC). The results indicate that 13.2 percent of the sampled trees show symptoms restricted to the leaves (Grade 1), while 20.8 percent of the sample show leaf and fruit symptoms (Grade 2). The north and northeast regions of the commercial area are the most affected by the disease, 52.6 and 43.4 percent of affected tress, respectively. Trees aging between 6 and 10 years are the most affected comprising 44.4 percent of the total for this category. Trees aging 3 to 5 years follow with 42.7 percent of the total for this category. The table below shows the evolution of the disease from 1996 to 2000, as reported by FUNDECITRUS.

Citrus Chlorosis Variegated (CVC) - Estimated Prevalecence of Symptoms (percentage of total sample).

Severity	1996	1997	1998	1999	2000
Grade 1/	15.93	22.89	13.68	20.95	13.23
Grade 2/	6.17	9.39	7.55	15.13	20.8
Total	22.10	32.28	21.23	36.08	34.03

Source: Sao Paulo State Fund for Defense of Citriculture (FUNDECITRUS).
1/ Grade 1: plants with symptoms restricted to the leaves.
2/ Grade 2: plants with leaf and fruit symptoms

The table below shows the evolution of Citrus Canker for 2000 as reported by FUNDECITRUS. Note that cumulative eradication for commercial groves (blocks) reached almost 900,000 trees (Jan-Oct). Cumulative non-commercial groves eradication for the Jan-Oct period is approximately 45,000 trees. The dry weather that has prevailed through the current season, has also benefitted growers by lowering the incidence of the disease. Currently, the Secretariat of Agriculture of the State of Sao Paulo and FUNDECITRUS are promoting another "sweeping process" within citrus growing areas in the State of Sao Paulo and part of Minas Gerais to identify and eradicate citrus trees affected by canker.

Note that the results of the first inspection (May-Nov 1999) showed that approximately 20.3 million trees were found on properties where some affected trees were identified. This number does not represent the total number of trees affected by citrus canker (as reported previously, see BR0013), but the number of trees in citrus groves where at least one affected tree was found.

Evolution of Citrus Canker in the State of Sao Paulo, 2000											
Month	Commercial Groves (Blocks)				Non-commercial Groves				Nurseries		
	New	Decontamination	Total	Plants Erratic.	New	Decontamination	Total	Plants Erratic.	New	Total	Plants Erratic.
January	45	148	193	85,892	1	1	2	21,423	2	2	41,700
Fear.	56	143	199	81,825	19	10	29	6,668	2	2	3,909
March	69	138	207	67,540	2	4	6	1,813	0	0	0
April	48	108	156	131,022	0	5	5	2,155	0	0	0
May	68	117	185	96,148	33	5	38	2,281	2	2	100,000
June	57	101	158	49,748	16	11	27	4,075	0	0	504
July	27	78	105	75,004	27	7	34	1,898	0	0	0
August	26	57	83	86,802	8	1	9	1,460	0	0	0
Septemb	23	34	57	130,902	28	5	33	693	0	0	0
October	13	35	48	92,158	62	11	73	2,875	0	0	0
Source: Sao Paulo State Fund for Defense of Citriculture (FUNDECITRUS).											

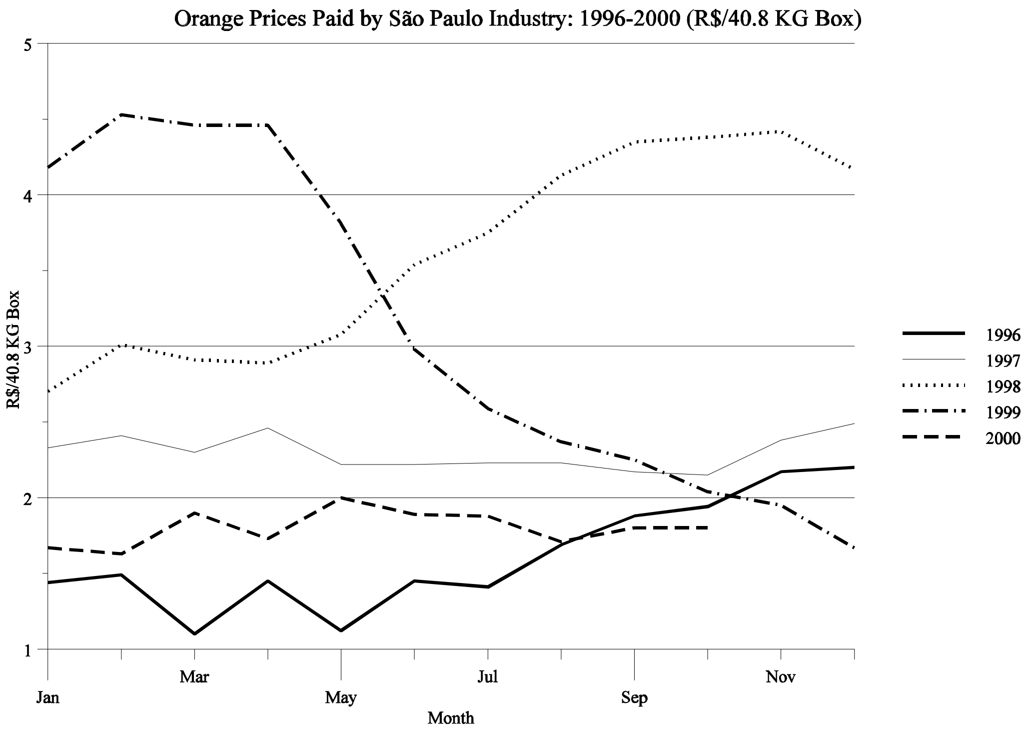
Producer Prices

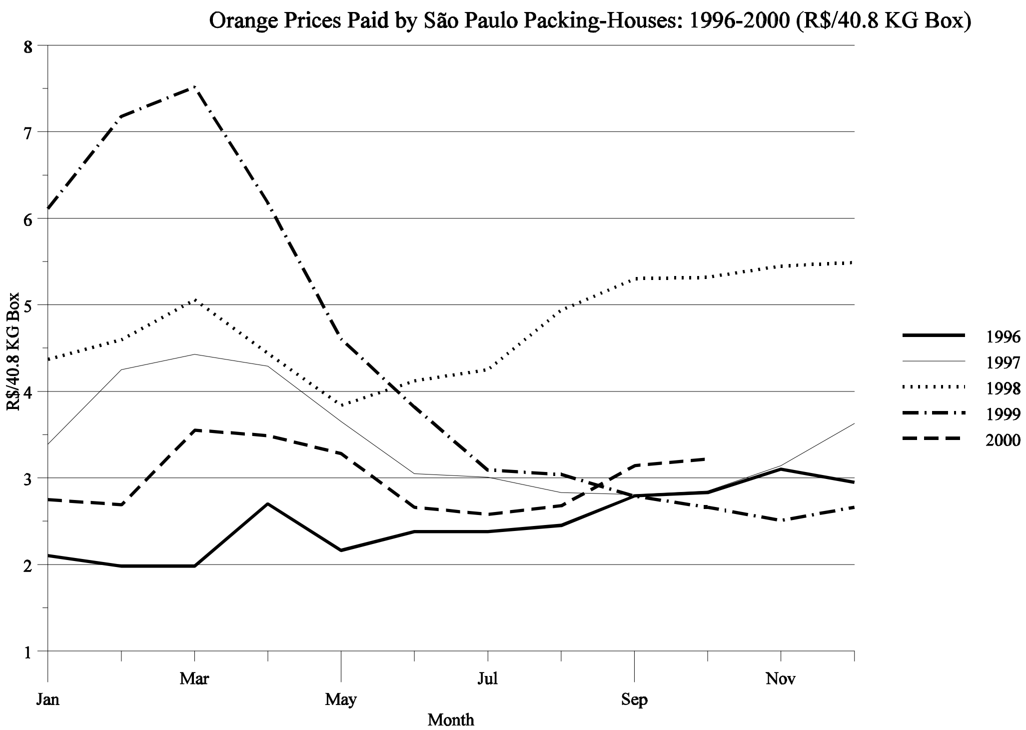
The graphs below shows average monthly prices received by producers 1996 through October 2000 for both processing and fresh market, as reported by IEA. Note that prices for processing are for fruit to the delivered to an orange juice plant, whereas prices for the fresh market are those received from packing houses. As of September 2000, producer prices have recovered somewhat due to the limited availability of fruits both for processing and for the domestic market. Post contacts report that current spot prices for Pera and Natal varieties for processing are R$ 2.5 per box (about US$ 1.32).

According to industry information, orange juice processors have set some contracts for the next crop at US$ 2 to 2.5 per box, down from the previous US$ 3 to 3.5 per box contract, but up from current orange spot prices. Industry contacts report that these prices reflect the opinion of a lower MY 2001/02 crop.

Cost of Production

The tables below show preliminary production costs for developing and productive groves in the state of Sao Paulo, as reported by the Institute of Agricultural Economics (IEA). According to information provided by post contacts harvest, costs are R$ 0.5 to 0.6 per box, while hauling costs are R$ 0.3 to R$ 0.4 per box considering a 50 to 60 kilometer distance from the orange grove to the processing plant.


Orange Prices Paid by São Paulo Industry: 1996-2000 (R$/40.8 KG Box)
R$/40.8 KG Box
Month
Jan
Mar
May
Jul
Sep
Nov
1996
1997
1998
1999
2000


Orange Prices Paid by São Paulo Packing-Houses: 1996-2000 (R$/40.8 KG Box)
R$/40.8 KG Box
Month
Jan
Mar
May
Jul
Sep
Nov
1996
1997
1998
1999
2000

Estimated Production Costs (R$/ha, July 2000) 1/ Developing grove in northern region of the state of Sao Paulo 2/				
Item	1st year	2nd year	3rd year	4th year
Labor	292.38	116.96	89.57	49.34
Machinery Operation	345.74	177.76	178.82	142.81
Fertilizer and Lime	98.26	131.37	199.36	333.26
Pesticide	39.23	116.19	240.83	392.54
Seedlings	720.00	18.00	--	--
Other Materials	0.46	3.45	10.02	16.46
Harvest and Hauling	--	--	60.00	180.00
Financial Costs	65.45	24.66	34.06	48.76
Depreciation (machinery)	104.48	55.57	63.87	55.33
Social Costs	96.49	38.60	34.18	31.68
FUNDECITRUS	--	--	2.40	8.00
Total Costs	1,762.49	682.56	913.11	1,258.18
Source: IEA 1/ Preliminary costs; 2/ 400 trees per hectare				

Estimated Production Costs (R$/ha, July 2000) 1/ Developing grove in southern region of the state of Sao Paulo 2/				
Item	1st year	2nd year	3rd year	4th year
Labor	292.38	116.96	89.57	49.34
Machinery Operation	345.74	177.76	178.82	142.81
Fertilizer and Lime	98.26	131.37	199.36	333.26
Pesticide	36.54	84.30	144.12	239.95
Seedlings	720.00	18.00	--	--
Other Materials	0.46	1.15	5.42	7.26
Harvest and Hauling	--	--	60.00	180.00
Financial Costs	65.34	23.17	29.63	41.68
Depreciation (Machinery)	104.48	55.57	63.87	55.33
Depreciation (Grove)	--	--	--	--
Social Costs	96.49	38.60	34.18	31.68
FUNDECITRUS	--	--	2.40	8.00
Total Costs	1,759.69	646.88	807.37	1,089.31
Source: IEA 1/ Preliminary costs; 2/ 400 trees per hectare				

Estimated Production Costs (R$/ha, July 2000) 1/ Productive Grove (7th to 15th years), 300 trees per hectare.

Item	South region	North region
Labor	65.29	59.11
Machinery Operation	239.30	204.62
Fertilizer and Lime	308.94	293.15
Pesticide	493.36	579.17
Seedlings	--	--
Other Materials	1.97	1.97
Harvest and Hauling	300.00	300.00
Financial Costs	61.64	62.91
Depreciation (Machinery)	96.86	81.71
Depreciation (Grove)	226.22	247.09
Social Costs	21.55	19.51
FUNDECITRUS	24.00	24.00
Total Costs	1,839.13	1,873.24
Source: IEA 1/ Preliminary costs		

Consumption

ATO/Sao Paulo has revised total fresh consumption for MY 2000/01 to 119 Mbx, down 9.5 Mbx from the previous estimate, due to an expected decrease in production. Note that this figure includes actual domestic consumption plus losses from natural drop, harvesting, hauling and packing, and fruits delivered to processors for not from concentrated (NFC) orange juice production. Domestic consumption estimates are taken as the difference between production estimates and the volume of oranges delivered to processors. According to information provided by industry contacts, fruit droppage is roughly estimated at 30 Mbx.

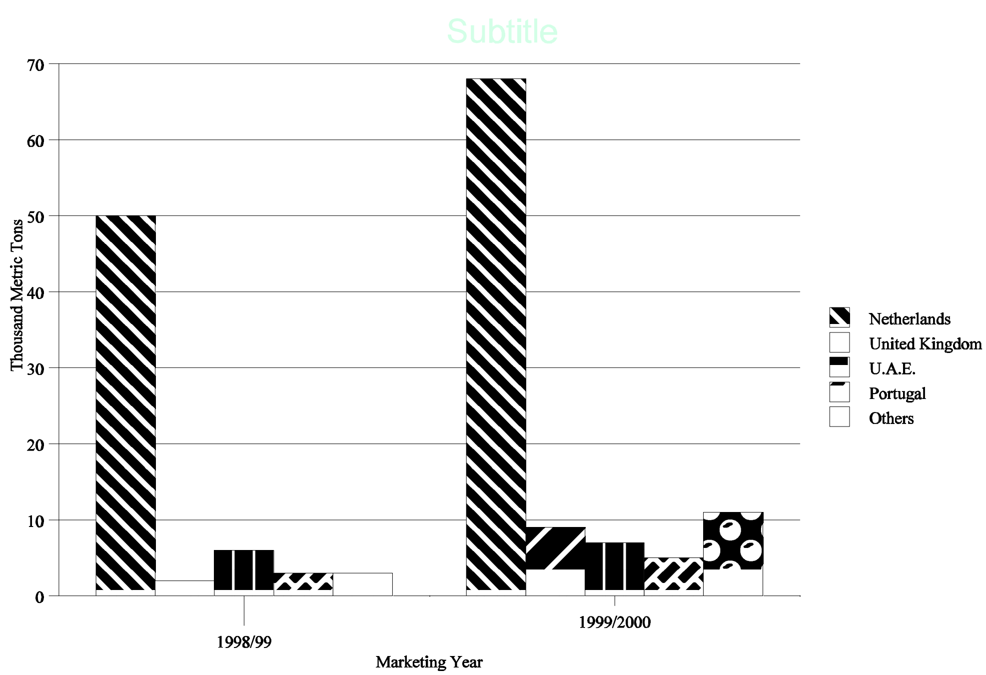
Trade

Exports

The ATO/Sao Paulo estimate for MY 1999/2000 orange exports remains unchanged at 2.5 Mbx. Orange exports for MY 2000/01 are estimates at 2 Mbx, due to lower fruit availability. The table below shows official fresh orange exports (NCM 0805.10.00) by country of destination for MY 1998/99 and 1999/2000 (July-June) and for MY 1999/2000 and 2000/01 (July-Sep), as reported by the Brazilian Secretariat of Foreign Trade (SECEX). The graph below shows fresh orange exports to major destinations for MY 19998/99 and 1999/2000, according to SECEX.

Fresh Orange Exports by Country of Destination (MT & US$ 1,000 FOB)								
Destination	MY 1998/99		MY 1999/00		MY 1999/00 1/		MY 2000/01 1/	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Netherlands	50,452	10,696	68,235	13,233	60,097	11,638	30,502	6,328
United Kingdom	2,287	557	8,724	1,670	4,785	952	4,646	811
UAE	5,810	1,284	6,555	1,449	6,307	1,357	4,489	983
Spain	20	3	6,024	1,367	5,917	1,338	9,323	2,033
Portugal	2,725	798	5,145	1,367	4,689	1,247	834	194
Russia	1,871	364	3,014	832	3,014	832	0	0
Kuwait	1,488	310	1,438	296	1,416	288	1,376	297
Paraguay	0	0	66	3	0	0	0	0
Saudi Arabia	0	0	54	21	17	7	133	47
Bahrein	9	4	48	19	10	4	0	0
Others	29	26	74	43	28	23	2,280	418
Total	64,691	14,041	99,377	20,301	86,280	17,687	53,583	11,112
Source: Brazilian Department of Foreign Trade (SECEX), NCM 0805.10.00 1/ July to September								

Fresh Orange Exports by Destination: MY 1998/99 and 1999/2000 (Jul-Jun, TMT)



Source: SECEX

FCOJ

Statistical Tables

PSD Table						
Country	Brazil				65 Degrees Brix	
Commodity	Juice, Orange				(MT)	
	Revised	1997	Preliminary	1998	Forecast	1999
	Old	New	Old	New	Old	New
Market Year Begin		07/1998		07/1999		07/2000
Deliv. To Processors	11750	11750	12811	12811	11179	11016
Beginning Stocks	235500	235500	263000	263000	312000	312000
Production	1184000	1184000	1275000	1360000	1050000	1106000
Imports	0	0	0	0	0	0
TOTAL SUPPLY	1419500	1419500	1538000	1623000	1362000	1418000
Exports	1138000	1138000	1210000	1295000	1100000	1156000
Domestic Consumption	18500	18500	16000	16000	18000	18000
Ending Stocks	263000	263000	312000	312000	244000	244000
TOTAL DISTRIBUTION	1419500	1419500	1538000	1623000	1362000	1418000

Export Trade Matrix			
Country	Brazil		
Commodity	Juice, Orange		
Time period	Jul-Jun	Units:	Metric Tons
Exports for:	1998		1999
U.S.	190,895	U.S.	271,583
Others		Others	
Netherlands	331,879	Netherlands	433,190
Belgium	466,286	Belgium	397,778
Japan	72,057	Japan	75,350
United Kingdom	14,561	United Kingdom	27,958
South Korea	17,158	South Korea	27,534
Australia	15,942	Australia	14,569
Puerto Rico	8,969	Puerto Rico	9,403
Argentina	2,193	Argentina	5,202
New Zealand	2,911	New Zealand	3,687
Taiwan	817	Taiwan	2,996
Others not Listed	16,938		26,474
Grand Total	1,140,606		1,295,725

Production

PS&D Tables

The following tables provide revised data for the state of Sao Paulo and total Brazilian frozen concentrated orange juice (FCOJ) PS&Ds for the MY 1998/99, 1999/2000 and 2000/01 (July-June)

Sao Paulo: FCOJ PS&D (Jul-Jun) (Million 40.8 kg boxes, TMT, 65 degrees brix)			
Item/Marketing Year	1998/99	1999/00	2000/01
(Bloom/Harvest)	(97/98)	(98/99)	(99/00)
Delivered to Processors	280.0	300.0	260.0
Beginning Stocks	235.5	263.0	312.0
Production	1,156.0	1,310.0	1,070.0
Total Supply	1,391.5	1,573.0	1,382.0
Exports	1,110.0	1,245.0	1,120.0
Domestic Consumption	18.5	16.0	18.0
Ending Stocks	263.0	312.0	244.0
Total Distribution	1,391.5	1,573.0	1,382.0

Brazil: FCOJ PS&D (Jul-Jun) (Million 40.8 kg boxes, TMT, 65 degrees brix)			
Item/Marketing Year	1998/99	1999/00	2000/01
(Bloom/Harvest)	(97/98)	(98/99)	(99/00)
Delivered to Processors	288.0	314.0	270.0
Sao Paulo	280.0	300.0	260.0
Others	8.0	14.0	10.0
Beginning Stocks *	235.5	263.0	312.0
Total Production	1,184.0	1,360.0	1,106.0
Sao Paulo	1,156.0	1,310.0	1,070.0
Others	28.0	50.0	36.0
Total Supply	1,419.5	1,623.0	1,418.0
Exports	1,138.0	1,295.0	1,156.0
Sao Paulo	1,110.0	1,245.0	1,120.0
Others	28.0	50.0	36.0
Domestic Consumption	18.5	16.0	18.0
Ending Stocks	263.0	312.0	244.0
Total Distribution	1,419.5	1,623.0	1,418.0
* Sao Paulo stocks.			

General

The ATO/Sao Paulo estimate for MY 1999/2000 total Brazilian FCOJ production has been revised upward to 1.36 million metric tons (mmt), 65 Brix, up 85,000 mt from previous estimate, according to updated information from industry contacts. The increase is associated with higher production in the Sao Paulo commercial area. Total oranges delivered for processing for MY 1999/00 remains unchanged at 314 Mbx. The Sao Paulo and western Minas Gerais commercial areas contributed 300 M Boxes.

ATO/Sao Paulo estimate for total MY 2000/01 Brazilian FCOJ production has been revised upward to 1.106 mmt, 65 Brix, up 56,000 mt from the previous estimate, due to expected higher industrial yields for Sao Paulo processing plants. The Sao Paulo commercial area output should amount to 1.07 mmt, 65 Brix, while the remaining 36,000 mt should come from other states. The volume of oranges for processing is estimated at 270 Mbx, down 4 Mbx from the previous estimate due to an expected decrease in oranges coming from producing regions other than the Sao Paulo and western Minas Gerais commercial areas, which are expected to contribute 260 Mbx. Post contacts report that this volume could vary depending on the extent of the harvest season

According to the Association of Citrus Exporters (ABECITRUS), the association has temporarily discontinued the weekly release of FCOJ production, domestic consumption, export and stock figures, indicating technical problems for the change.

Consumption

The ATO/Sao Paulo estimate for total MY 1999/00 domestic FCOJ consumption remains unchanged at 16,000 mt (65 Brix). Total MY 2000/01 domestic FCOJ consumption is projected at 18,000 mt, 65 Brix.

Trade

Exports

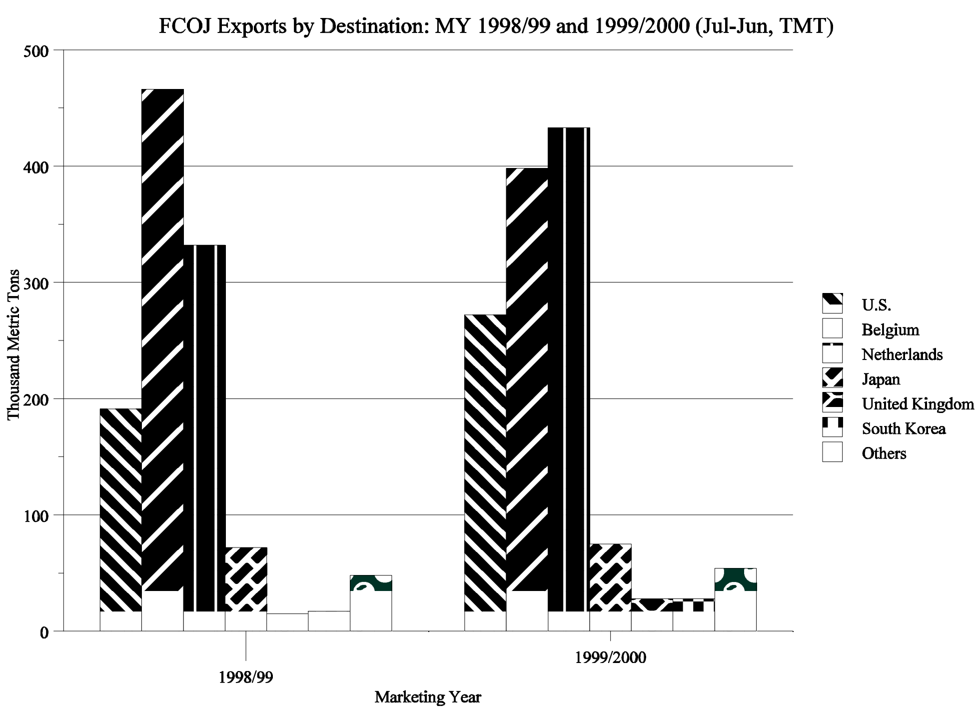
ATO/Sao Paulo has revised the total Brazilian FCOJ export estimate for MY 1999/00 to 1.295 mmt (65 Brix), up 85,000 mt from the previous estimate, due to adjustments in exports from Sao Paulo processing plants which contributed 1.245 mmt. ATO/Sao Paulo estimates total MY 2000/01 Brazilian FCOJ exports at 1.156 mmt, up 56,000 mt from the previous projection. In spite of the currency problems faced by the Euro and the expected large crop in the United States, FCOJ buyers are likely to take advantage of low market prices of the product, thus increasing exports projection.

In September 2000, FCOJ market prices dropped sharply. According to information provided by post contact, a number of 2-year contracts were set at prices ranging from US$ 650 to 800 per metric ton (bulk), FCA (Free Carrier). This decrease in prices is mostly related to FCOJ processors attempting to gain market share.

The table below shows official FCOJ and non-concentrated orange juice exports (NCM 2009.11.00) by country of destination for MY 1998/99 and 1999/2000 (July-June) and MY 1999/2000 and 2000/01 (July-Sep), as reported by the Brazilian Secretariat of Foreign Trade (SECEX)

Frozen Concentrated/Non-Concentrated Orange Juice Exports (MT and US$ 1,000 FOB).								
Destination	MY 1998/99		MY 1999/2000		MY 1999/00 1/		MY 2000/01 1/	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Netherlands	331,879	385,277	433,190	433,817	108,190	110,741	113,116	96,525
Belgium	466,286	508,484	397,778	384,018	101,311	107,858	104,073	82,360
United States	190,895	210,301	271,583	246,808	64,511	63,756	31,577	25,154
Japan	72,057	76,040	75,350	71,853	7,697	7,505	16,153	12,912
United Kingdom	14,561	14,964	27,958	27,558	11,480	11,971	1,370	1,058
South Korea	17,158	19,760	27,534	26,831	5,136	5,332	3,538	3,317
Australia	15,942	16,818	14,569	13,996	1,569	1,633	2,759	2,123
Puerto Rico	8,969	10,933	9,403	11,101	3,342	4,967	1,868	1,887
Argentina	2,193	2,837	5,202	5,820	580	650	876	955
New Zealand	2,911	3,192	3,687	3,743	897	913	1,408	1,332
Taiwan	817	922	2,996	3,194	639	744	1,358	1,205
Others	16,938	18,907	26,474	27,118	5,091	5,377	5,160	4,536
Total	1,140,606	1,268,434	1,295,725	1,255,858	310,443	321,448	283,257	233,364
Source: Brazilian Department of Foreign Trade (SECEX), NCM 2009.11.00. 1/ July to September.								

The graph below shows official frozen concentrated and non-concentrated orange juice exports by country of destination for MY 1998/99 (July-June), as reported by SECEX.



Source: SEXEC

Stocks

ATO/Sao Paulo ending stocks estimate for MY 1999/00 and MY 2000/01 remain unchanged at 312 and 244 mmt, 65 Brix, respectively.

NFC

As reported by industry contacts, approximately 10 Mbx should be crushed during MY 2000/01 by Cutrale and Citrosuco Paulista for NFC production for export markets, mainly Europe and the United States.

Exchange Rate

Exchange Rate (R$/US$1.00 - official rate, last day of period)				
Month	1997	1998	1999	2000
January	1.05	1.12	1.92	1.80
February	1.05	1.13	2.03	1.77
March	1.06	1.14	1.77	1.75
April	1.06	1.14	1.66	1.81
May	1.07	1.15	1.72	1.82
June	1.08	1.16	1.77	1.80
July	1.08	1.16	1.79	1.78
August	1.09	1.18	1.81	1.82
September	1.10	1.19	1.92	1.84
October	1.10	1.19	1.95	1.91
November	1.11	1.20	1.92	--
December	1.12	1.21	1.79	--